



DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20350

SECNAVINST 4350.7E  
SO-2(ASN(7L))

28 SEP 1968

SECNAV INSTRUCTION 4350.7E

From: Secretary of the Navy  
To: Distribution List

Subj: Equal Employment Opportunity, Government Contracts

Encl: (1) List of companies and company facilities assigned to the Maritime Administration, Department of Commerce, as the PIA (as of 18 January 1968)  
(2) DOD Directive 1100.11 of 9 August 1968, same subject

1. Purpose. To implement in the Department of the Navy the policies, responsibilities and operations set forth in enclosure (2) with regard to the provisions of Parts II and III of Executive Order 11246, Equal Employment Opportunity, 24 September 1965, as amended by Executive Order 11375, Equal Opportunity for Women in Federal Employment and Employment by Federal Contractors, effective 13 October 1968.

2. Cancellation. SECNAV Instruction 4350.7D of 28 March 1968, same subject, is superseded and cancelled.

3. Action. All Bureaus, Commands, Offices and components of the Department of the Navy responsible for the award or administration of contracts will assure that the provisions of enclosure (2), implementing DOD instructions, if any, and related provisions of ASPR are carried out within their respective Commands, and will cooperate with and assist the Contract Compliance Officer and Deputy Contract Compliance Officer for the Department of Defense in fulfilling their functions and responsibilities.

4. Contract Compliance Operations

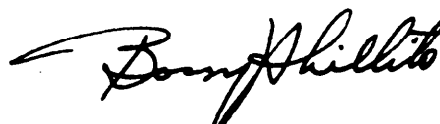
a. Enclosure (2) designates the Assistant Secretary of Defense (Manpower and Reserve Affairs) as the Contracts Compliance Officer for the Department of Defense and the Director, Defense Supply Agency, as Deputy Contract Compliance Officer for contract compliance operations.

b. Subject to the overall policy guidance of the Contract Compliance Officer, the Deputy Contract Compliance Officer will administer all functions of contract compliance with respect to all Government contracts and subcontracts otherwise under the administrative cognizance of the Department of the Navy, except those with companies, or those being performed at company facilities, in the Ship Operating and/or Shipbuilding industry for which compliance responsibilities are assigned

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to the Maritime Administration, Department of Commerce. Enclosure (1) is a current list (specifically, as of 18 January 1968) of such companies and company facilities assigned to the Maritime Administration as the Predominant Interest Agency (PIA) for ship operators and ship-builders. Should PIA responsibilities be changed, enclosure (1) will be appropriately changed by revision to this Instruction.

5. Defense Contract Compliance Council. Enclosure (2) established a Defense Contract Compliance Council responsible for advising the Assistant Secretary of Defense (Manpower and Reserve Affairs) on all aspects of the Defense Contracts Compliance Program. The Navy membership on the Council shall be as designated by the Assistant Secretary of the Navy (Installations and Logistics).



Barry J. Shillito  
Assistant Secretary of the Navy  
(Installations and Logistics)

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List of Companies and Company Facilities Assigned to the  
Maritime Administration, Department of Commerce,  
as the PIA (as of Jan 18, 1968)

Alabama Dry Dock and Shipbuilding	Levingston Shipbuilding
Alaska Steamship Co.	Lockheed Shipbuilding & Construction
Albina Engine and Machine Works	Lone Star Marine Salvage Co.
Alcoa Steamship Co., Inc.	Lykes Bros. Steamship Co., Inc.
A. L. Burbank and Co., Ltd.	Marine Carriers Corp.
American Export Isbrandtsen Lines, Inc.	Marine Transport Lines
American Foreign Steamship Corp.	Marinette Marine Corp.
American Mail Line, Ltd.	Martinolich Shipbuilding Corp.
American President Lines, Ltd.	Marino, Frank L. Corp.
American Ship Building Co.	Maryland Shipbuilding & Drydock
American Ship Dismantlers	Matson Navigation Co.
Atlantic Port Contractors	McDonough Iron Works
Avondale Shipyards, Inc.	Merrin Electric Co.
Baldwin County Electric Membership Corp.	Mississippi Valley Barge Line Company
Bath Iron Works Corp.	Moore-McCormack Lines, Incorporated
Bel Alton, Inc.	National Steel & Shipbuilding Co.
Bender Ship Repairs, Incorporated	Newport News Shipbuilding
Blidberg Rothchild Co., Inc.	New York Shipbuilding
Bloomfield Steamship Company	Norfolk Shipbuilding & Dry Dock
Brewer Drydock Company	Norfolk Terminal
Bulk Transport, Incorporated	O'Kane Marine Repair Company
Campbell Machine, Incorporated	Oceanic Steamship Company, The
Central Gulf Steamship Corp.	Olympic Steamship Co., Inc.
Christy Corporation	Pacific Coast Transport
City of Astoria, Oregon	Pacific Far East Line, Inc.
Cleveland Cliffs Iron Company	Penn Shipping Co., Inc.
Columbia Steamship Company	Philadelphia Shipyards Corporation
Defoe Shipbuilding Company	Pinto Island Metals Company
Delta Steamship Lines, Inc.	Port Houston Shipyards, Incorporated
Dockside Machine & Ship Repair	Port Welding & Machine Works
Dorchester Shipbuilding Corp.	Prudential Lines, Incorporated
Duwamish Shipyards, Incorporated	Schiavone Bonomo Corporation
Equitable-Higgins Shipyards	Service Engineering Company
Farmer's Marine Copper Works	Slocum Iron Works
Farrell Lines Incorporated	South Atlantic & Caribbean Lines, Inc.
General Dynamics Corp. (Shipbuilding)	Southern Scrap Material Company
General Engineering & Machine Works	States Marine Lines, Incorporated
General Ship Repair Corp.	States Steamship Company
Grace Line, Incorporated	Stevenson, T. J. Co., Inc.
Gulf & South American Steamship Co.	Sun Shipbuilding & Dry Dock
Gulfport Shipbuilding Corp.	Surless Ship Repair Corporation
Harvey F. Gamage Shipbuilding, Inc.	Tacoma Boatbuilding Company
Horton Industries	Tampa Ship Repair & Dry Dock Co.
Ingalls Shipbuilding	Todd Shipyards Corporation
Jacksonville Shipyards	Union Minerals and Alloys Corp.
Jakobson Shipyards, Incorporated	United States Lines Company
	Zidell Explorations, Inc.



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28 September 1968

August 9, 1968  
NUMBER 1100.11

ASD(M&RA)

## Department of Defense Directive

SUBJECT Equal Employment Opportunity, Government Contracts

- Refs.:
- (a) Executive Order 11246, "Equal Employment Opportunity, September 24, 1965 (3 CFR, 1965 Supp., p. 167) (enclosure 1)
  - (b) Executive Order 11375, "Equal Opportunity for Women in Federal Employment and Employment by Federal Contractors," October 13, 1967 (32 CFR 14303) (enclosure 2)
  - (c) Rules and Regulations of the Secretary of Labor; Equal Employment Opportunity; Obligations of Contractors and Subcontractors (41 CFR Chapter 60), May 28, 1968
  - (d) DoD Directive 1100.11, "Equal Employment Opportunity, Government Contracts," September 13, 1967 (hereby cancelled)

### I. PURPOSE AND APPLICABILITY

- A. This Directive implements, within the Department of Defense, the provisions of Parts II and III of reference (a) as amended by reference (b), effective October 13, 1968, relating respectively to nondiscrimination in employment by Government contractors and subcontractors, and nondiscrimination provisions in Federally assisted construction contracts (hereinafter referred to as the "Program").
- B. The provisions of this Directive apply to all components of the Department of Defense.

### II. CANCELLATION

Reference (d) is hereby superseded and cancelled.

Enclosure (2)

### III. POLICY

- A. Part II of Executive Order 11246, as amended, provides that, except in contracts exempted in accordance therewith, all Government contracting agencies shall include in every Government contract an equal opportunity clause providing, among other things, that the contractor (1) will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin; (2) will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex or national origin; and (3) will include a similar clause in every subcontract or purchase order, unless specifically exempted. Part III provides for a similar clause in Federally assisted construction contracts.
- B. The Secretary of Labor is responsible for the administration of Parts II and III of the Executive Order, and with the adoption of such rules and regulations and with the issuance of such orders as he deems necessary and appropriate to achieve the purposes thereof. The Secretary of Labor has established within the Department of Labor an Office of Federal Contract Compliance (OFCC) under a Director to assist him in his administration of Parts II and III of the Executive Order.
- C. Each government contracting agency, including the Department of Defense, is charged with (1) primary responsibility for securing compliance with the provisions of equal opportunity clauses and otherwise with securing compliance with the terms of Parts II and III of the Executive Order and the rules, regulations, and orders of the Secretary of Labor issued pursuant to the Executive Order with respect to contracts entered into by such agency, and (2) cooperating with the Secretary of Labor in the performance of his functions under the Executive Order.
- D. Each government contracting agency including the Department of Defense is further charged with the appointment or designation of compliance officers from among its personnel, whose duty is to seek compliance with the objectives of Parts II and III of the Executive Order by conference, conciliation, mediation or persuasion.
- E. It is the policy of the Department of Defense to implement the provisions of Parts II and III of Executive Order 11246, with respect to the responsibilities assigned to it as a contracting agency, and to cooperate with the Secretary of Labor in the performance of his duties under the order.

#### IV. RESPONSIBILITIES

- A. The Assistant Secretary of Defense (Manpower and Reserve Affairs) is designated as the Contract Compliance Officer for the Department of Defense. He will exercise supervision over DoD policies relating to the Program, and advise the Secretary of Defense with respect thereto; maintain all DoD liaison with other Government agencies, including the OFCC, Department of Labor, (with authority to delegate liaison responsibility on particular Program matters to other officials or organizational elements of the DoD); exercise policy direction over the scope and character of contract compliance operations, administered as provided hereinafter by the Deputy Contract Compliance Officer; and carry out actions relating to the imposition of sanctions, as provided in VI, below.
- B. The Assistant Secretary of Defense (Installations and Logistics) will implement the contracting and contract administration aspects of the Program, other than the functions of contract compliance operations outlined in V, below, including the issuance in the Armed Services Procurement Regulations (ASPR) of appropriate procurement policies, regulations, instructions and contract clauses.
- C. Heads of DoD components responsible for awarding or administering contracts will (1) assure that the provisions of this directive, implementing DoD instructions, if any and related provisions of the ASPR are carried out within their respective components, and (2) cooperate with and assist the DoD Contract Compliance Officer and the Deputy Contract Compliance Officer in fulfilling their functions and responsibilities.
- D. To assist the Contract Compliance Officer in the performance of his responsibilities and subject to his overall policy guidance, the Director, Defense Supply Agency (DSA) is designated Deputy Contract Compliance Officer for contract compliance operations. He will assure compliance by contractors and subcontractors with (1) the provisions of the equal opportunity clause, and Executive Order 11246, as amended, and (2) the rules, regulations and orders of the Secretary of Labor thereunder, with respect to all Government

contracts and subcontracts and all Federally assisted construction contracts and subcontracts for which the DoD has contract compliance responsibility under the provisions of the Executive Order as implemented by the rules, regulations and orders of the Secretary of Labor, as further provided for in V, below.

## V. CONTRACT COMPLIANCE OPERATIONS

### A. Functions of Deputy Contract Compliance Officer.

1. Subject to the overall policy guidance of the Contract Compliance Officer, the Deputy Contract Compliance Officer shall:
  - a. Develop information on contractor and subcontractor compliance, including the conduct of a program of compliance reviews, investigations of complaints, and the conduct of pre-award reviews as provided for in the Executive Order, in the regulations of the Secretary of Labor, and in the ASPR, and such other procedures for developing information on contractor and subcontractor compliance as may be prescribed.
  - b. Furnish procuring activities, in case of pre-award reviews, determinations as to whether the prospective contractors or subcontractors are complying with the intent of the Program or are able to carry out acceptable programs for compliance.
  - c. Make reasonable efforts within reasonable time limitations to secure compliance by contractors and subcontractors with the provisions of the equal opportunity clause by methods of conference, conciliation, mediation and persuasion.
  - d. Hold hearings as provided for by the Executive Order, the rules and regulations of the Secretary of Labor, and the ASPR for the purpose of establishing the facts relating to contractor and subcontractor compliance and the adequacy of programs submitted by contractors and subcontractors for future compliance.

- e. Make determinations as described below on behalf of DoD.
  - (1) As to whether contractors or subcontractors have complied or have failed to comply with the provisions of the equal opportunity clause contained in their contracts;
  - (2) In cases where a determination of failure to comply is indicated, as to whether programs for future compliance submitted by contractors and subcontractors are an acceptable basis for withholding sanctions under the terms of the Executive Order;
  - (3) In the case of pre-award reviews, as to whether bidder or prospective contractors or subcontractors have satisfactorily complied with the provisions of Executive Order 11246 or have submitted acceptable programs for compliance.

The Contract Compliance Officer in a specific case involving special circumstances may direct that the determination be referred to him for final action.

- 2. The Deputy Contract Compliance Officer may delegate the authority to make the determinations provided in (1) through (3) above. However, determinations leading to the imposition of sanctions (other than unfavorable pre-award compliance review recommendations) shall be made only after affording the contractor or subcontractor an opportunity for a hearing, as provided for in V.A.I.d., above.

- B. Hearing Officers. The Director, DSA, is hereby designated as Hearing Officer for the purpose of holding hearings under the provisions of V.A.I.d., above, and is hereby authorized to designate other officers and employees under his jurisdiction as hearing officers for such purpose.
- C. Work for or by Other Government Agencies. The Director, DSA, may, under the policy guidance of the Assistant Secretary of Defense (Manpower and Reserve Affairs), enter into written agreements for DoD performance of contract compliance services for other Government agencies on a reimbursable basis, and for the performance of services for the DoD by other Government agencies, with or without reimbursement.



Services by DoD for other Government agencies will be performed in accordance with this and other DoD directives and instructions and the ASPR.

- D. Contract Compliance Organization Within DSA. The functions of contract compliance operations shall be organized at both headquarters and field levels into specialized offices which shall be administered as separate components of Defense Contract Administration Services (DCAS). As Deputy Contract Compliance Officer, the Director, DSA may appoint such deputies as he deems necessary to carry out his responsibilities and functions under this Directive.

## VI. SANCTIONS

- A. The authority within the DoD to direct or recommend to the Secretary of Labor the imposition of sanctions against DoD contractors and subcontractors and to decide or recommend to the Secretary of Labor the form of sanction to be imposed is expressly reserved to the Assistant Secretary of Defense (Manpower and Reserve Affairs).
- B. Sanctions shall not be directed or recommended to the Secretary of Labor by the Assistant Secretary of Defense (Manpower and Reserve Affairs) without first securing the views and recommendations of the (1) Assistant Secretary of Defense (Installations and Logistics) and (2) Heads of the DoD components responsible for the procurements covered by the contracts or subcontracts involved with regard to such action.

## VII. DEFENSE CONTRACTS COMPLIANCE COUNCIL

There is hereby established a Defense Contracts Compliance Council, which shall be responsible for advising the Assistant Secretary of Defense (Manpower and Reserve Affairs), on all aspects of the Defense Contracts Compliance Program. The Council shall meet at the call of the Assistant Secretary of Defense (Manpower and Reserve Affairs). Its membership shall consist of the Secretaries of the Military Departments, the Assistant Secretary of Defense (Installations and Logistics), the Director, Defense Supply Agency, and the Deputy Assistant Secretary of Defense (Civil Rights and Industrial Relations), or their representatives.

Aug 9, 68  
1100.11

VIII. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective August 31, 1968. The Assistant Secretary of Defense (Installations and Logistics), the Heads of Defense components responsible for the awarding or administering contracts, and the Deputy Contract Compliance operations, shall forward to the Assistant Secretary of Defense (Manpower and Reserve Affairs) by December 31, 1968, two (2) copies of each implementing regulation and instruction. They shall thereafter promptly furnish the Assistant Secretary of Defense (Manpower and Reserve Affairs) with two (2) copies of any changes thereto.

  
Secretary of Defense

Enclosures - 2

1. Executive Order 11246
2. Executive Order 11375

EXECUTIVE ORDER 11246  
EQUAL EMPLOYMENT OPPORTUNITY

Under and by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered as follows:

PART I - Nondiscrimination in  
Government Employment

SECTION 101. It is the policy of the Government of the United States to provide equal opportunity in Federal employment for all qualified persons, to prohibit, discrimination in employment because of race, creed, color, or national origin, and to promote the full realization of equal employment opportunity through a positive, continuing program in each executive department and agency. The policy of equal opportunity applies to every aspect of Federal employment policy and practice.

SEC. 102. The head of each executive department and agency shall establish and maintain a positive program of equal employment opportunity for all civilian employees and applicants for employment within his jurisdiction in accordance with the policy set forth in Section 101.

SEC. 103. The Civil Service Commission shall supervise and provide leadership and guidance in the conduct of equal employment opportunity programs for the civilian employees of and applications for employment within the executive departments and agencies and shall review agency program accomplishments periodically. In order to facilitate the achievement of a model program for equal employment in the Federal service, the Commission may consult from time to time with such individuals, groups, or organizations as may be of assistance in improving the Federal program and realizing the objectives of this Part.

SEC. 104. The Civil Service Commission shall provide for the prompt, fair, and impartial consideration of all complaints of discrimination in Federal employment on the basis of race, creed, color, or national origin. Procedures for the consideration of complaints shall include at least one impartial review within the executive department or agency and shall provide for appeal to the Civil Service Commission.

SEC. 105. The Civil Service Commission shall issue such regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this Part, and the head of each executive department and agency shall comply with the regulations, orders, and instructions issued by the Commission under this Part.

PART II - Nondiscrimination in  
Employment by Government Contractors  
and Subcontractors

Subpart A - Duties of the Secretary of Labor

SEC. 201. The Secretary of Labor shall be responsible for the administration of Parts II and III of this Order and shall adopt such rules and regulations and issue such orders as he deems necessary and appropriate to achieve the purposes thereof.

Subpart B - Contractors' Agreements

SEC. 202. Except in contracts exempted in accordance with Section 204 of this Order, all Government contracting agencies shall include in every Government contract hereafter entered into the following provisions:

"During the performance of this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies involved as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

SEC. 203. (a) Each contractor having a contract containing the provisions prescribed in Section 202 shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as in initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or an agency referring workers or providing or supervising apprenticeship or training for such workers, the Compliance Report shall include such information as to such labor union's or agency's practices and policies affecting compliance as the Secretary of Labor may prescribe: Provided, That to the extent such information is within the exclusive possession of a labor union or an agency referring workers or providing or supervising apprenticeship or training and such labor union or agency shall refuse to furnish such information to the contractor, the contractor shall so certify to the contracting agency as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The contracting agency or the Secretary of Labor may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent on behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the bidder or prospective contractor deals, with supporting information, to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, creed, or national origin, and that the signer either will affirmatively cooperate in the implementation of the policy and provisions of this Order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the Order. In the event that the union, or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the contracting agency or the Secretary of Labor may require.

SEC. 204. The Secretary of Labor may, when he deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including any or all of the provisions of Section 202 of this Order in any specific contract, subcontract, or purchase order. The Secretary of Labor may, by rule or regulation, also exempt certain classes of contracts, subcontracts, or purchase orders (1) whenever work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (2) for standard commercial supplies or raw materials; (3) involving less than specified amounts of money or specified numbers of workers; or (4) to the extent that they involve subcontracts below a specified tier. The Secretary of Labor may also provide, by rule, regulation, or order, for the exemption of facilities of a contractor which are in all respects separate and distinct from activities of the contractor related to the performance of the contract: Provided, That such an exemption will not interfere with or impede the effectuation of the purposes of this Order: And provided further, That in the absence of such an exemption all facilities shall be covered by the provisions of this Order.

Subpart C - Powers and Duties of the Secretary of Labor and the  
Contracting Agencies

SEC. 205. Each contracting agency shall be primarily responsible for obtaining compliance with the rules, regulations, and orders of the Secretary of Labor with respect to contracts entered into by such agency or its contractors. All contracting agencies shall comply with the rules of the Secretary of Labor in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Order and of the rules, regulations, and orders of the Secretary of Labor issued pursuant to this Order. They are directed to cooperate with the Secretary of Labor and to furnish the Secretary of Labor such information and assistance as he may require in the performance of his functions under this Order. They are further directed to appoint or designate, from among the agency's personnel, compliance officers. It shall be the duty of such officers to seek compliance with the objectives of this Order by conference, conciliation, mediation, or persuasion.

SEC. 206. (a) The Secretary of Labor may investigate the employment practices of any Government contractor or subcontractor, or initiate such investigation by the appropriate contracting agency, to determine whether or not the contractual provisions specified in Section 202 of this Order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Secretary of Labor and the investigating agency shall report to the Secretary of Labor any action taken or recommended.

(b) The Secretary of Labor may receive and investigate or cause to be investigated complaints by employees or prospective employees of a Government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in Section 202 of this Order. If this investigation is conducted for the Secretary of Labor by a contracting agency, that agency shall report to the Secretary what action has been taken or is recommended with regard to such complaints.

SEC. 207. The Secretary of Labor shall use his best efforts, directly and through contracting agencies, other interested Federal, State, and local agencies, contractors, and all other available instrumentalities to cause any labor union engaged in work under Government contracts or any agency referring workers or providing or supervising apprenticeship or training for or in the course of such work to cooperate in the implementation of the purposes of this Order. The Secretary of Labor shall, in appropriate cases, notify the Equal Employment Opportunity Commission, the Department of Justice, or other appropriate Federal agencies whenever it has reason to believe that the practices of any such labor organization or agency violate Title VI or Title VII of the Civil Rights Act of 1964 or other provision of Federal law.

SEC. 208. (a) The Secretary of Labor, or any agency, officer, or employee in the executive branch of the Government designated by rule, regulation, or order of the Secretary, may hold such hearings, public or private, as the Secretary may deem advisable for compliance, enforcement, or educational purposes.

(b) The Secretary of Labor may hold, or cause to be held, hearings in accordance with Subsection (a) of this Section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this Order. No order for debarment of any contractor from further Government contracts under Section 209 (a) (6) shall be made without affording the contractor an opportunity for a hearing.

#### Subpart D - Sanctions and Penalties

SEC. 209. (a) In accordance with such rules, regulations, or orders as the Secretary of Labor may issue or adopt, the Secretary or the appropriate contracting agency may:

(1) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this Order or of the rules, regulations, and orders of the Secretary of Labor.

(2) Recommend to the Department of Justice that, in cases in which there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in Section 202 of this Order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law; of organizations, individuals, or groups who prevent directly or indirectly, or seek to prevent directly or indirectly, compliance with the provisions of this Order.

(3) Recommend to the Equal Employment Opportunity Commission or the Department of Justice that appropriate proceedings be instituted under Title VII of the Civil Rights Acts of 1964.

(4) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Secretary of Labor as the case may be.

(5) Cancel, terminate, suspend, or cause to be cancelled, terminated, or suspended, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be cancelled, terminated, or suspended absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the contracting agency.

(6) Provide that any contracting agency shall refrain from entering into further contracts, or extensions or other modifications of existing contracts, with any noncomplying contractor, until such contractor has satisfied the Secretary of Labor that such contractor has established and will carry out personnel and employment policies in compliance with the provisions of this Order.



(b) Under rules and regulations prescribed by the Secretary of Labor, each contracting agency shall make reasonable efforts within a reasonable time limitation to secure compliance with the contract provisions of this Order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under Subsection (a) (2) of this Section, or before a contract shall be cancelled or terminated in whole or in part under Subsection (a) (5) of this Section for failure of a contractor or subcontractor to comply with the contract provisions of this Order.

SEC. 210. Any contracting agency taking any action authorized by this Subpart, whether on its own motion, or as directed by the Secretary of Labor, or under the rules and regulations of the Secretary, shall promptly notify the Secretary of such action. Whenever the Secretary of Labor makes a determination under this Section, he shall promptly notify the appropriate contracting agency of the action recommended. The agency shall take such action and shall report the results thereof to the Secretary of Labor within such time as the Secretary shall specify.

SEC. 211. If the Secretary shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this Order or submits a program for compliance acceptable to the Secretary of Labor or, if the Secretary so authorizes, to the contracting agency.

SEC. 212. Whenever a contracting agency cancels or terminates a contract, or whenever a contractor has been debarred from further Government contracts, under Section 209 (a) (6) because of noncompliance with the contract provisions with regard to nondiscrimination, the Secretary of Labor, or the contracting agency involved, shall promptly notify the Comptroller General of the United States. Any such debarment may be rescinded by the Secretary of Labor or by the contracting agency which imposed the sanction.

#### Subpart E - Certificates of Merit

SEC. 213. The Secretary of Labor may provide for issuance of a United States Government Certificate of Merit to employers of labor unions, or other agencies which are or may hereafter be engaged in work under Government contracts, if the Secretary is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, upgrading, and other practices and policies of the labor union or other agency conform to the purposes and provisions of this Order.

SEC. 214. Any Certificate of Merit may at any time be suspended or revoked by the Secretary of Labor if the holder thereof, in the judgment of the Secretary, has failed to comply with the provisions of this Order.

SEC. 215. The Secretary of Labor may provide for the exemption of any employer, labor union, or other agency from any reporting requirements imposed under or pursuant to this Order if such employer, labor union, or other agency has been awarded a Certificate of Merit which has not been suspended or revoked.

PART III - Nondiscrimination Provisions in  
Federally Assisted Construction Contracts

SEC. 301. Each executive department and agency which administers a program involving Federal financial assistance shall require as a condition for the approval of any grant, contract, loan, insurance, or guarantee thereunder, which may involve a construction contract, that the applicant for Federal assistance undertake and agree to incorporate, or cause to be incorporated, into all construction contracts paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to such grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the provisions prescribed for Government contracts by Section 203 of this Order or such modification thereof, preserving in substance the contractor's obligations thereunder, as may be approved by the Secretary of Labor, together with such additional provisions as the Secretary deems appropriate to establish and protect the interest of the United States in the enforcement of those obligations. Each such applicant shall also undertake and agree (1) to assist and cooperate actively with the administering department or agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with those contract provisions and with the rules, regulations, and relevant orders of the Secretary, (2) to obtain and to furnish to the administering department or agency and to the Secretary of Labor such information as they may require for the supervision of such compliance, (3) to carry out sanctions and penalties for violation of such obligations imposed upon contractors and subcontractors by the Secretary of Labor or the administering department or agency pursuant to Part II, Subpart D, of this Order, and (4) to refrain from entering into any contract subject to this Order, or extension or other modification of such a contract with a contractor debarred from Government contracts under Part II, Subpart D, of this Order.

SEC. 302. (a) "Construction contract" as used in this Order means any contract for the construction, rehabilitation, alteration, conversion, extension, or repair of buildings, highways, or other improvements to real property.

(b) The provisions of Part II of this Order shall apply to such construction contracts, and for purposes of such application the administering department or agency shall be considered the contracting agency referred to therein.

(c) The Term "applicant" as used in this Order means an applicant for Federal assistance or, as determined by agency regulations, other program participant, with respect to whom an application for any grant, contract, loan, insurance, or guarantee is not finally acted upon prior to the effective date of this Part, and it includes such an applicant after he becomes a recipient of such Federal assistance.

SEC. 303. (a) Each administering department and agency shall be responsible for obtaining the compliance of such applicants with their undertakings under this Order. Each administering department and agency is directed to cooperate with the Secretary of Labor, and to furnish the Secretary such information and assistance as he may require in the performance of his functions under this Order.

(b) In the event an applicant fails and refuses to comply with his undertakings, the administering department or agency may take any or all of the following actions: (1) cancel, terminate, or suspend in whole or in part the agreement, contract, or other arrangement with such applicant with respect to which the failure and refusal occurred; (2) refrain from extending any further assistance to the applicant under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from such applicant; and (3) refer the case to the Department of Justice for appropriate legal proceedings.

(c) Any action with respect to an applicant pursuant to Subsection (b) shall be taken in conformity with Section 602 of the Civil Rights Act of 1964 (and the regulations of the administering department or agency issued thereunder) to the extent applicable. In no case shall action be taken with respect to an applicant pursuant to Clause (1) or (2) of Subsection (b) without notice and opportunity for hearing before the administering department or agency.

SEC. 304. Any executive department or agency which imposes by rule, regulation, or order requirements of nondiscrimination in employment, other than requirements imposed pursuant to this Order, may delegate to the Secretary of Labor by agreement such responsibilities with respect to compliance standards, reports, and procedures as would tend to bring the administration of such requirements into conformity with the administration of requirements imposed under this Order: Provided, That actions to effect compliance by recipients of Federal financial assistance with requirements imposed pursuant to Title VI of the Civil Rights Act of 1964 shall be taken in conformity with the procedures and limitations prescribed in Section 602 thereof and the regulations of the administering department or agency issued thereunder.

#### PART IV - Miscellaneous

SEC. 401. The Secretary of Labor may delegate to any officer, agency, or employee in the Executive branch of the Government, any function or duty of the Secretary under Parts II and III of this Order, except authority to promulgate rules and regulations of a general nature.

SEC. 402. The Secretary of Labor shall provide administrative support for the execution of the program known as the "Plans for Progress."

SEC. 403. (a) Executive Orders Nos. 10590 (January 19, 1955), 10722 (August 5, 1957), 10925 (March 6, 1961), 11114 (June 22, 1963), and 11162 (July 28, 1964), are hereby superseded and the President's Committee on Equal Employment Opportunity established by Executive Order No. 10925 is hereby abolished. All records and property in the custody of the Committee shall be transferred to the Civil Service Commission and the Secretary of Labor as appropriate.

(b) Nothing in this Order shall be deemed to relieve any person of any obligation assumed or imposed under or pursuant to any Executive Order superseded by this Order. All rules, regulations, orders, instructions, designations, and other directives issued by the President's Committee on Equal Employment Opportunity and those issued by the heads of various departments or agencies under or pursuant to any of the Executive orders superseded by this Order, shall, to the extent that they are not inconsistent with this Order, remain, in full force and effect unless and until revoked or superseded by appropriate authority. References in such directives to provisions of the superseded orders shall be deemed to be references to the comparable provisions of this Order.

SEC. 404. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this Order and of the rules and regulations of the Secretary of Labor.

SEC. 405. This Order shall become effective thirty days after the date of this Order.

LYNDON B. JOHNSON

THE WHITE HOUSE

September 24, 1965

EXECUTIVE ORDER 11375

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AMENDING EXECUTIVE ORDER NO. 11246,  
RELATING TO EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of the United States Government to provide equal opportunity in Federal employment and in employment by Federal contractors on the basis of merit and without discrimination because of race, color, religion, sex or national origin.

The Congress, by enacting Title VII of the Civil Rights Act of 1964, enunciated a national policy of equal employment opportunity in private employment, without discrimination because of race, color, religion, sex or national origin.

Executive Order No. 11246 of September 24, 1965, carried forward a program of equal employment opportunity in Government employment, employment by Federal contractors and subcontractors and employment under Federally assisted construction contracts regardless of race, creed, color or national origin.

It is desirable that the equal employment opportunity programs provided for in Executive Order No. 11246 expressly embrace discrimination on account of sex.

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered that Executive Order No. 11246 of September 24, 1965, be amended as follows:

(1) Section 101 of Part I, concerning nondiscrimination in Government employment, is revised to read as follows:

"SECTION 101. It is the policy of the Government of the United States to provide equal opportunity in Federal employment for all qualified persons, to prohibit discrimination in employment because of race, color, religion, sex or national origin, and to promote the full realization of equal employment opportunity through a positive, continuing program in each executive department and agency. The policy of equal opportunity applies to every aspect of Federal employment policy and practice."

(2) Section 104 of Part I is revised to read as follows:

"SECTION 104. The Civil Service Commission shall provide for the prompt, fair, and impartial consideration of all complaints of discrimination in Federal employment on the basis of race, color, religion, sex or national origin. Procedures for the consideration of complaints shall include at least one impartial review within the executive department or agency and shall provide for appeal to the Civil Service Commission."

(3) Paragraphs (1) and (2) of the quoted required contract provisions in section 202 of Part II, concerning nondis-

crimination in employment by Government contractors and subcontractors, are revised to read as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin." (4) Section 203 (d) of Part II is revised to read as follows:

"(d) The contracting agency or the Secretary of Labor may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent on behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the bidder or prospective contractor deals, with supporting information, to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, religion, sex or national origin, and that the signer either will affirmatively cooperate in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union, or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the contracting agency or the Secretary of Labor may require."

The amendments to Part I shall be effective 30 days after the date of this order. The amendments to Part II shall be effective one year after the date of this order.

/s/ LYNDON B. JOHNSON

THE WHITE HOUSE,  
October 13, 1967.